

House Bill 878

By: Representatives Crawford of the 16th, Jamieson of the 28th, Buckner of the 130th, Reece of the 11th, Porter of the 143rd, and others

A BILL TO BE ENTITLED
AN ACT

To amend Code Section 48-7-27 of the Official Code of Georgia Annotated, relating to computation of taxable net income for state income tax purposes, so as to eliminate the limitation on the amount of the earned income allowance with respect to retirement income; to provide an effective date; to provide for applicability; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Code Section 48-7-27 of the Official Code of Georgia Annotated, relating to computation of taxable net income for state income tax purposes, is amended by revising subparagraph (a)(5)(E) as follows:

"(E) For the purposes of this paragraph, retirement income shall include but not be limited to interest income, dividend income, net income from rental property, capital gains income, income from royalties, income from pensions and annuities, and ~~no more than \$4,000.00 of~~ an individual's earned income. Earned income ~~in excess of \$4,000.00 from any source~~, including but not limited to net business income earned by an individual from any trade or business carried on by such individual, wages, salaries, tips, and other employer compensation, shall ~~not~~ be regarded as retirement income. The receipt of earned income shall not diminish any taxpayer's eligibility for the retirement income exclusion allowed by this paragraph ~~except to the extent of the express limitation provided in this subparagraph.~~"

SECTION 2.

This Act shall become effective on January 1, 2008, and shall be applicable to all taxable years beginning on or after that date.

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SECTION 3.

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All laws and parts of laws in conflict with this Act are repealed.